SIAST
SASKATCHEWAN INSTITUTE OF
APPLIED SCIENCE AND TECHNOLOGY

SIAST Impact on Provincial and Local Economies 1999/00

Prepared by:
SIAST Planning, Research and Development Division
Institutional Research Office

April 2001
#01-02

101-05435/

Saskatchewan Institute of Applied Science and Technology

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Executive Summary

For 1999/00 the economic impact of SIAST on the economies of the province of Saskatchewan and the cities of Regina, Saskatoon, Prince Albert and Moose Jaw are estimated to be (1998/99 figures are in brackets):

- Impact on Saskatchewan was $249.8 million ($249.8 million)
- Impact on Regina was $52.5 million ($50.8 million)
- Impact on Saskatoon was $80.8 million ($80.5 million)
- Impact on Prince Albert was $38.8 million ($40.3 million)
- Impact on Moose Jaw was $55.2 million ($55.5 million)

These impacts are based on the estimation that for the province, for every dollar spent by SIAST or its students, 65 cents is generated in second-round income (1.65 multiplier). For every dollar spent in one of the four main cities, 43 cents is generated in second-round income (1.43 multiplier).

The impacts are also based on the average spending of $250 per week for each full-time student.

SIAST graduates working, part-time and Extension students and as well as one-time capital expenditures are not included in the calculations even though they would increase the economic impact.

Introduction

In January 1999, the SIAST Institutional Research Office explored the economic impact of SIAST on the provincial economy and on the economies of the four main campus cities. This report is an update of the data and provides a comparison to previous years.

Data Source

The data for this report comes from three sources. SIAST Finance provides operating expenditure figures. SIAST Registrars provide the student enrollment statistics and a report from the University of Saskatchewan provides multiplier and weekly spending estimates.

Methodology

The methodology utilizes estimates obtained from a study conducted by the University of Saskatchewan. In a report titled the University of Saskatchewan Impact Study 1994/95, a provincial multiplier effect of 1.65 and a regional multiplier effect of 1.43 was used. This multiplier is defined as an estimate of how every dollar of expenditure generates second round income. The university study also estimated a weekly expenditure amount by students of $250.

The economic impact is calculated as the sum of the institute's operations and of the student's expenditures. These impacts would include SIAST salaries and purchases as well as spending by students of SIAST. Indirect expenditures stimulated by these direct purchases would also be taken into account.

The operating impact also considers non-impacting operations and estimates it to be 4% of the operating expenditures. Examples of non-impacting operations would be amortization or international activities.

The annual operating expenditures for SIAST include amounts paid to SPMC (Saskatchewan Property Management Corporation) for rental of facilities. This is essentially a repayment of grants received, and therefore has no economic impact. These amounts are excluded from the SIAST and individual campus expenditure totals.

The student impact addresses only full-time students and uses an estimate of $250 per week spending for 30 weeks of study per year.

Additional Considerations

The impact of graduates entering the workforce is not directly related to the economic impact of the operation of SIAST, but their contribution to economic growth should be recognized as an indirect contributor. In the 2000 SIAST Graduate Employment Statistics Report, approximately 1,350 graduates responded to the survey as having full-time, training related jobs thereby paying provincial income tax. With the average salary of $2,049 for full-time training related jobs, the payroll could be estimated at $2.8 million. Considering a provincial tax rate of 11% for the first $35,000 income, the total revenue collected by the province from income earned just by the SIAST graduates working full-time would be approximately $305,000. This does not consider the contribution to the economy by part-time and non-training related graduates working in the province.

Spending by part-time and Extension students enrolled at SIAST are also not included in this analysis.

Capital, one-time purchases, such as the renovation of the new SIAST campus in Regina is also not considered.

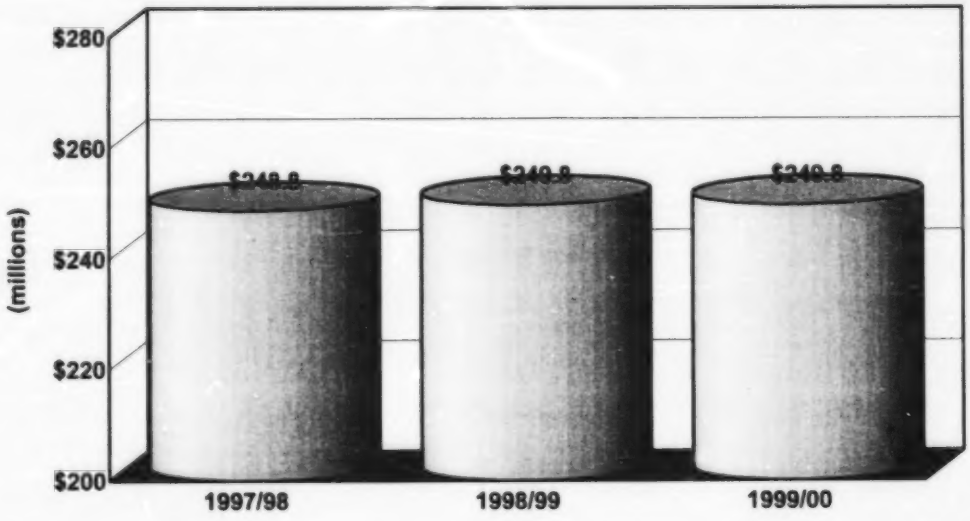
These additional considerations would have a positive impact on the economy and are not taken into account with this report. Dollar amounts for impacts derived in this report are therefore conservative estimates.

SIAST Impact on Saskatchewan's Economy

The impact of SIAST on the Saskatchewan economy remained relatively the same as the previous year - at $250 million. Operating impact decreased slightly, while the student impact increased as a result of more full-time students.

	1997/98	1998/99	1999/00	
Operating Impact				
SIAST Annual Operating Expenditures	$114.0 million	$118.6 million	$118.5 million	source: SIAST Finance
less SPMC Facilities	- $13.3 million	- $13.8 million	- $13.8 million	
	$100.7 million	$104.8 million	$104.7 million	
less non-impacting operations	- 4%	- 4%	- 4%	estimate
Adjusted Operating Impact	$96.7 million	$100.6 million	$100.5 million	
multiplier effect on provincial economy	x 1.65	x 1.65	x 1.65	estimate based on UofS study
Operating Impact	$159.6 million	$166.0 million	$165.8 million	
Student Impact				
Total SIAST Students Enrolled	13716	12975	12775	source: SIAST Registrars
less part-time students	- 1826	- 1800	- 1578	source: SIAST Registrars
Total SIAST Full-tme Students Enrolled	11890	11175	11197	
amount student spend per week	x $250/wk	x $250/wk	x $250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	x 30wks	
Student Impact	$89.2 million	$83.8 million	$84.0 million	
SIAST IMPACT ON SASKATCHEWAN ECONOMY	$248.8 million	$249.8 million	$249.8 million	

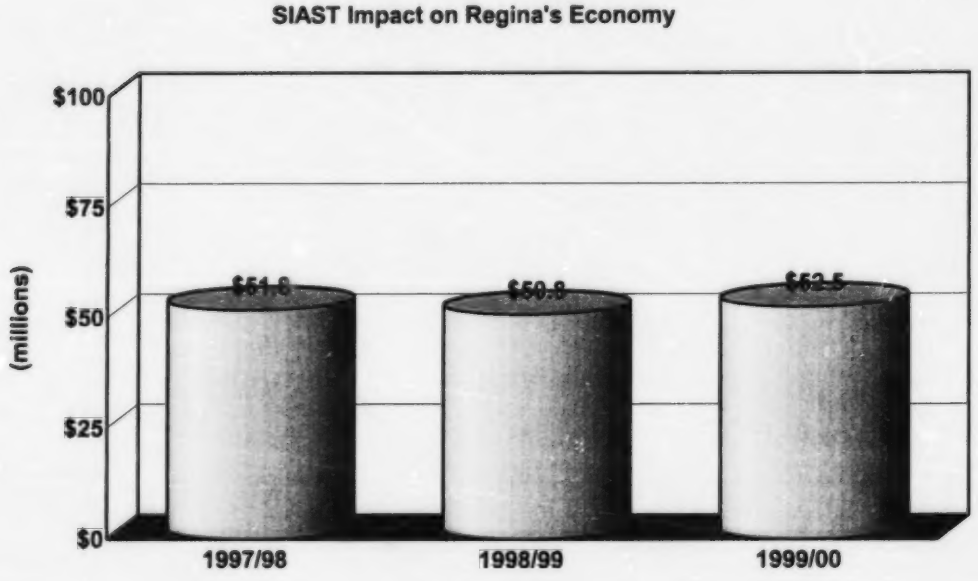
SIAST Impact on Saskachewan's Economy



SIAST Impact on Regina's Economy

The impact of SIAST on the city of Regina's economy can be attributed to SIAST Wascana Campus. The impact increased $1.7 million from $50.8 million in 1998/99 to $52.5 million in 1999/00. This increase can be attributed to an increase in operations and full-time student enrollment.

	1997/98	1998/99	1999/00	
Operating Impact				
SIAST Wascana Operating Expenditures	$24.2 million	$24.9 million	$25.8 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	- 4%	estimate
Adjusted Operating Impact	$23.2 million	$23.9 million	$24.8 million	
multiplier effect on provincial economy	x 1.43	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	$33.2 million	$34.2 million	$35.5 million	
Student Impact				
Total SIAST Students Enrolled	3012	2830	2835	source: SIAST Registrars
less part-time students	- 532	- 614	- 570	source: SIAST Registrars
Total SIAST Full-tme Students Enrolled	2480	2216	2265	
amount student spend per week	x $250/wk	x $250/wk	x $250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	x 30wks	
Student Impact	$18.6 million	$16.6 million	$17.0 million	
SIAST IMPACT ON REGINA ECONOMY	$51.8 million	$50.8 million	$52.5 million	

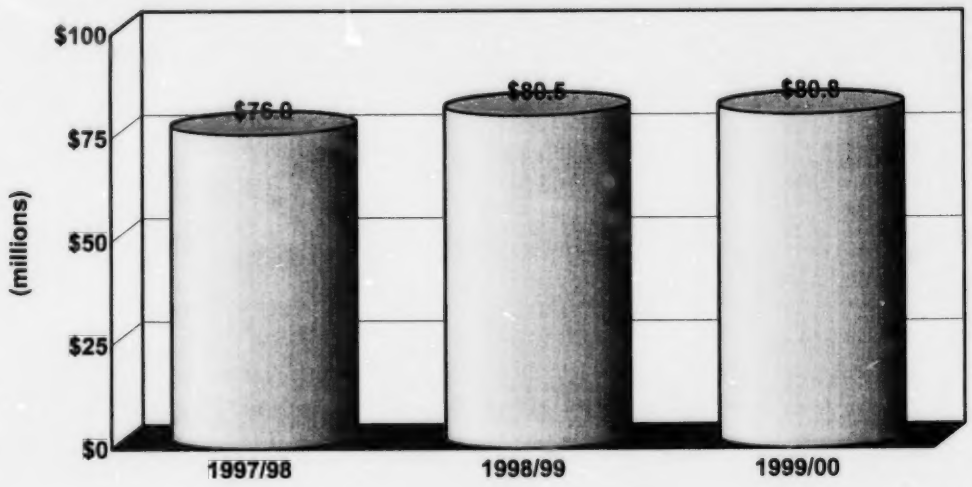


SIAST Impact on Saskatoon's Economy

The impact of SIAST on the city of Saskatoon's economy is due not only to SIAST Kelsey Campus but also to the SIAST Administrative Offices. The impact increased from $80.5 million in 1998/99 to just over $80.8 million in 1999/00. This small increase can be attributed mainly to a small increase in full-time enrolment at Kelsey.

	1997/98	1998/99	1999/00	
Operating Impact				
SIAST Kelsey Operating Expenditures	$26.5 million	$31.2 million	$31.4 million	source: SIAST Finance
SIAST Admin. Offices Operating Expenditures	$7.1 million	$6.3 million	$6.1 million	source: SIAST Finance
	$33.6 million	$37.5 million	$37.5 million	
less non-impacting operations	- 4%	- 4%	- 4%	estimate
Adjusted Operating Impact	$32.2 million	$36.0 million	$36.0 million	
multiplier effect on provincial economy	x 1.43	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	$46.0 million	$51.5 million	$51.5 million	
Student Impact				
Total SIAST Students Enrolled	4755	4601	4486	source: SIAST Registrars
less part-time students	- 750	- 728	- 580	source: SIAST Registrars
Total SIAST Full-tme Students Enrolled	4005	3873	3906	
amount student spend per week	x $250/wk	x $250/wk	x $250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	x 30wks	
Student Impact	$30.0 million	$29.0 million	$29.3 million	
SIAST IMPACT ON SASKATOON ECONOMY	$76.0 million	$80.5 million	$80.8 million	

SIAST Impact on Saskatoon's Economy

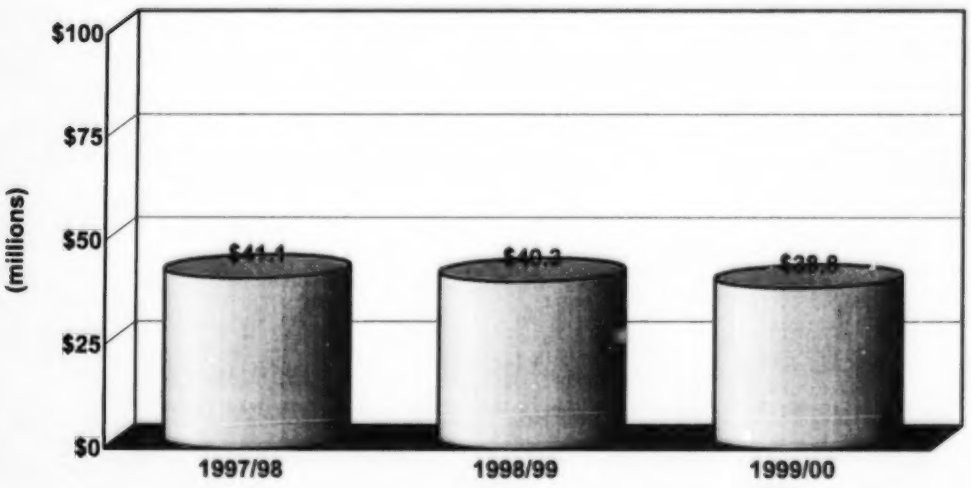


SIAST Impact on Prince Albert's Economy

The impact of SIAST on the city of Prince Albert's economy can be attributed to SIAST Woodland Campus, **excluding Meadow Lake Campus**. The impact decreased from just over $40 million in 1998/99 to just under $39 million in 1999/00. Both a decrease in operations and full-time student enrolment caused this overall decrease.

	1997/98	1998/99	1999/00	
Operating Impact				
SIAST Woodland Operating Expenditures	$20.0 million	$19.9 million	$18.9 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	- 4%	estimate
Adjusted Operating Impact	$19.2 million	$19.1 million	$18.1 million	
multiplier effect on provincial economy	x 1.43	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	$27.5 million	$27.3 million	$25.9 million	
Student Impact				
Total SIAST Students Enrolled	2043	1927	1935	source: SIAST Registrars
less part-time students	- 233	- 200	- 212	source: SIAST Registrars
Total SIAST Full-tme Students Enrolled	1810	1727	1723	
amount student spend per week	x $250/wk	x $250/wk	x $250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	x 30wks	
Student Impact	$13.6 million	$13.0 million	$12.9 million	
SIAST IMPACT ON PRINCE ALBERT ECONOMY	$41.1 million	$40.3 million	$38.8 million	

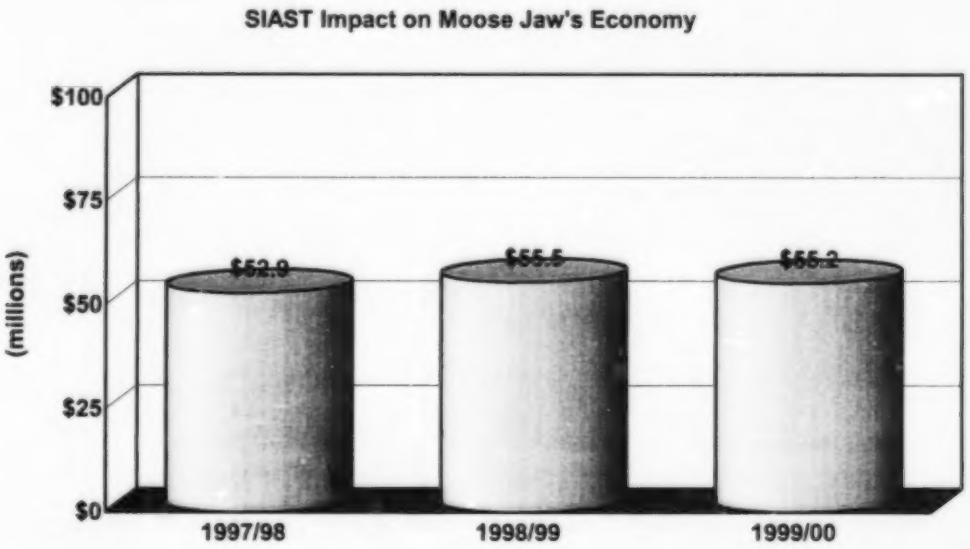
SIAST Impact on Prince Albert's Economy



SIAST Impact on Moose Jaw's Economy

The impact of SIAST on the city of Moose Jaw's economy can be attributed to SIAST Palliser Campus. The impact decreased slightly from $55.5 million in 1998/99 to $55.2 million in 1999/00 as a result of fewer full-time students.

	1997/98	1998/99	1999/00	
Operating Impact				
SIAST Palliser Operating Expenditures	$19.3 million	$22.5 million	$22.5 million	source: SIAST Finance
less non-impacting operations	- 4%	- 4%	- 4%	estimate
Adjusted Operating Impact	$18.5 million	$21.6 million	$21.6 million	
multiplier effect on provincial economy	x 1.43	x 1.43	x 1.43	estimate based on UofS study
Operating Impact	$26.5 million	$30.9 million	$30.9 million	
Student Impact				
Total SIAST Students Enrolled	3822	3536	3449	source: SIAST Registrars
less part-time students	- 308	- 258	- 211	source: SIAST Registrars
Total SIAST Full-tme Students Enrolled	3514	3278	3238	
amount student spend per week	x $250/wk	x $250/wk	x $250/wk	estimate based on UofS study
weeks per year student at SIAST	x 30wks	x 30wks	x 30wks	
Student Impact	$26.4 million	$24.6 million	$24.3 million	
SIAST IMPACT ON MOOSE JAW ECONOMY	$52.9 million	$55.5 million	$55.2 million	



Conclusion

SIAST continues to have a significant impact on Saskatchewan's economy.

SIAST contributed approximately $250 million to Saskatchewan's economy in 1999/00. The city of Regina had almost $53 million injected into its local economy. Just under $81 million went into the economy of Saskatoon. Prince Albert's economy had just under $40 million attributed to SIAST. Just over $55 million went into Moose Jaw's economy.

The values determined in this report are based on certain estimates and do not take into account all factors, such as the impact SIAST graduates have on the provincial economy or the impact of part-time and Extension students. Extraordinary or one time expenditures, such as the renovation of the new SIAST campus in Regina are also not considered in the economic impact. Consequently the numbers derived in this report are conservative estimates.